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January 31, 2015

VIA ELECTRONIC FILING  
Federal Election Commission  
Attention: Laura Sinram  
Campaign Finance Analyst  
Reports Analysis Division  
999 E Street, NW  
Washington, DC 20463

Dear Ms. Sinram:

V2RD is in receipt of your Request for Additional Information (RAI) dated January 7, 2015, regarding the October Quarterly Report (7/1/2014 - 9/30/2014) (October Report). This statement provides information related to your inquiry concerning dates and amounts for certain Schedule E transactions and the Calendar Year-To-Date Per Election total(s) for Senate races. Under separate cover, the committee will address the issues related to the RAI regarding memo entries used for independent expenditures (IEs) when no reportable debt under 11 CFR 104.11 exists.

Concurrently with the filing of this statement, V2RD has filed an amended October Report that revises the dates for certain entries to correct a clerical error that listed the dissemination dates in 2015 and not 2014. The total reported for Matt Mercer, Newburgh/Six Mile Limited Partnership II and Hunter Pickels reported on the 24/48 Hour Notices appears to match the total reported on the October Report filed October 20, 2014, and also matches the amended October Report filed contemporaneously with this statement.

V2RD filed 24/48 Hour Notices for estimated costs to be paid to Matt Mercer and Hunter Pickels for on-going management of phone bank centers as of the first day the phone banks opened and communications with express advocacy began (consistent with 11 CFR 104.4(b)(2) and (c) and 109.10(c) and (d)). However, the committee was not required to report future obligations for payment to vendors on Schedule D pursuant to 11 CFS 104.11 because such future obligation is not a debt or obligation outstanding as of the last date of the report since the vendor had not earned the payment by providing V2RD with the service hours.

Consistent with the 24/48 Hour Notices, the October Report includes two disbursements on Schedule E for expenditures in fact paid toward the estimated cost of the IE during the reporting period. Additionally, there were/are memo entries (with memo text) on Schedule E included as advisory entries to tie the transactions to the related 24/48 Hour; but for the filing of the 24/48 Hour Notice, this transaction would not normally have appeared on a Form 3X because it is neither a disbursement nor a debt owed by the committee.

Since no debt was due and owing to these vendors as September 30, 2014, the committee did not include transactions on Schedule D of the originally filed October Report.

For the reasons explained in the Miscellaneous Statement Form 99 filing ID FEC-991726, V2RD has included entries on Schedule D of the amended October Report as a work around for the limitations of the FFS intended to add clarity to the reporting. These entries include additional information in memo text for the affected transactions specifically noting that the transactions listed on Schedule D are not in fact debts.

The Calendar Year-To-Date Per Election (CYTD) reflected on the amended October Report do not match the 24/48 Hour Notices and cannot be made to match the IE Notices on file due. This is because the FFS has limitations with regard to totals for IEs as they appear on a Form 3X when memo entries are used for a portion of the cost of an IE.

Specifically, a Form 3X will include all transactions, including memo transactions, that have a dissemination date

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within the reporting period appear on the Form 3X regardless of whether payment has been made to an IE vendor.

As explained by the Commission's Electronic Filing Office, this listing of memo entries linked to the Form 3X through the dissemination date is a so-called "note function" of the FFS (in contrast to a "computational function" that would tabulate the amounts in the data of the memo when calculating the totals displayed in a Form 3X). Therefore, the FFS will not include the amount in the memo entries for Schedule E into the calculation of the CYTD totals.

Since correction of this FFS's functionality is beyond V2RD's control, it is not possible for V2RD to amend the October Report to reflect accurate CYTD totals for Schedule E transactions that have been reported with a memo entry such that the totals will match the CYTD totals on the related 24/48 Hour Notice

It is my hope this statement provides an adequate explanation for issues outlined in your RFAI. Please do not hesitate to contact me if you have any questions or need additional information.

Sincerely,  
Kenneth Davis, Jr.  
Treasurer

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